

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council

Item ID:

25295

Agenda Number

19.

Meeting Date:

June 20, 2013

Department:

Office of Real Estate Services

Subject

Authorize negotiation and execution of a 48-month lease for approximately 27,971 square feet of office space located at 200 West Cesar Chavez from SILICON LABORATORIES, INC., in an amount not to exceed \$5,620,000.

Amount and Source of Funding

Funding is available in the Fiscal Year 2013-2014 Operating Budget of various departments. Funding for the contract period is contingent upon available funding in the future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing
Language:

Prior Council
Action:

For More
Information:

Gloria Aguilera 974-7100; Lauraine Rizer 512-974-7078; Amanda Glasscock 512-974-7173.

Boards and
Commission
Action:

MBE / WBE:

Related Items:

Additional Backup Information

The proposed office space at 200 West Cesar Chavez Street is approximately 27,971 square feet. The initial lease term is for four (4) years at fair market terms and conditions. The proposed annual lease rate for months 1-12 is \$25 per square foot. The proposed annual lease rate for months 13-24 is \$26.50 per square foot; proposed annual lease rate for months 25-36 is \$28 per square foot; and the proposed annual lease rate for months 37-48 is \$29.50 per square foot. The estimated annual pass-through is approximately \$15.50 per square foot for operating expenses such as taxes, insurance, utilities, janitorial, and maintenance.

Landlord shall grant twenty-eight (28) unreserved garage parking spaces. The spaces shall be offered for the term of the Lease. Additional off-site parking may be available subject to additional cost. Landlord shall provide an allowance of \$5 per square foot to offset the cost of additional needed improvements. The cost for the City to offset the cost of needed improvements is estimated at \$25 per square foot or a total of \$699,275. Should final space planning indicate the need for additional improvements or other general lease term changes, the requested authorization is subject to increase to the permissible limit of administrative authority.